U.S. DEPARTMENT OF TRANSPORTATION

PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

Mainline Block Valve Spacing

Special Permit Analysis and Findings

Special Permit Information:

Docket Number: PHMSA-2017-0045

Requested By: Alaska Gasline Development Corporation

Operator ID#: 40015

Original Date Requested: April 14, 2017

Original Issuance Date: September 9, 2019

Effective Dates: September 9, 2029

Code Section(s): 49 CFR 192.179(a)(4)

Purpose:

The Pipeline and Hazardous Materials Safety Administration (PHMSA)¹ provides information to describe the facts of the subject special permit application submitted by the Alaska Gasline Development Corporation (AGDC), owner and operator of the Alaska LNG Pipeline,² to discuss any relevant public comments received with respect to the application for a special permit, to present the engineering/safety analysis, and to make public the findings regarding whether the requested special permit should be granted and if so under what conditions. AGDC requested a special permit for the Alaska LNG Pipeline to waive compliance from 49 Code of Federal Regulations (CFR) 192.179(a)(4) for sectionalizing mainline block valve spacing in Class 1 locations in Alaska.

¹ Throughout this special permit the usage of "PHMSA" or "PHMSA OPS" means the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration Office of Pipeline Safety.

² Alaska LNG Pipeline refers to the approximately 807 miles of 42-inch natural gas transmission pipeline and not to any potential owners, operators, or entities associated with the Alaska LNG Pipeline. The special permit owner, operator, and applicant/permittee is Alaska Gasline Development Corporation. Please note that this pipeline does not transport liquefied natural gas (LNG). It will supply natural gas to a LNG facility for further transportation as LNG.

Pipeline System Affected:

The Alaska LNG Pipeline will be approximately 807 miles of 42-inch-diameter steel pipe for transporting natural gas from AGDC's gas treatment plant (GTP) on Alaska's North Slope to the liquefaction facility on the eastern shore of the Cook Inlet near Nikiski, Alaska. The pipeline will be mostly onshore, with a segment of offshore pipeline crossing the Cook Inlet. The onshore portion of the pipeline will be a buried pipeline except for short, above-ground special design segments, such as aerial water crossings and aboveground fault crossings. The Alaska LNG Pipeline's design has a maximum allowable operating pressure (MAOP) of 2,075 pounds per square inch gauge (psig).

AGDC is requesting a waiver of compliance of 49 CFR 192.179(a)(4) for remote, sparsely populated segments along the 42-inch pipeline route. AGDC's special permit request is specifically for the Class 1 location segments.³

Federal pipeline safety regulations require natural gas transmission pipeline operators to have sectionalizing block valves within 10 miles of each point on the pipeline (or no more than 20 miles between sectionalizing mainline valves) in a Class 1 location. AGDC's request allows for a valve spacing greater than 20 miles in Class 1 locations but requires all mainline block valves to be either remote controlled valves (RCVs) or automatic shut-off valves (ASVs).

Special Permit Request:

AGDC requested increased spacing of sectionalizing mainline block valves along the *special permit segment* as follows:

Transmission Line Valves: Sectionalizing block valves along the *special permit segment* must be spaced as shown in Tables 1 and 2^4 and as follows for class location segments:

a) Class 1 locations north of Fairbanks from Mile Post 0.00 to Mile Post 422 must have a 50-mile maximum sectionalizing block valve spacing between block valves (each point on the pipeline must be within 25 miles of a sectionalizing block valve).

_

³ 49 CFR 192.5 defines Class location units and class 1, 2, 3, and 4 locations.

⁴ If AGDC determines that the sectionalizing block valve spacing or operational controls (RCV or ASV) as shown in Table 1 need to be modified, AGDC must submit proposed changes to the conditions and Table 1 to PHMSA's Western Region Director or PHMSA Project Designee for review, and a "no objection" letter must be received prior to the change by AGDC.

- b) Class 1 locations south of Fairbanks from Mile Post 422 to Mile Post 807 must have a 30-mile maximum sectionalizing block valve spacing between block valves (each point on the pipeline must be within 15 miles of a sectionalizing block valve).
- c) Class 2, 3, and 4 locations between Mile Post 0.00 to Mile Post 807 must comply with the requirements of 49 CFR 192.179.
- d) High consequence areas (as defined in 49 CFR 192.903 and 192.905) located in Class 1 and 2 locations, must comply with the requirements of 49 CFR 192.179.

PHMSA designed a comprehensive set of special permit conditions that AGDC is required to implement in order to operate the 42-inch diameter pipeline with an increased mainline block valve spacing. An overview of the special permit condition topics is in the Operational Integrity Compliance section of this document. The special permit conditions were based upon pipeline safety considerations for the 49 CFR Part 192 sections that AGDC was seeking relief for an alternative mainline block valve spacing.

The usage of remote controlled valves (RCVs) and automatic shut-off valves (ACVs) will reduce the time to isolate a pipeline segment should there be a rupture on the pipeline. In remote locations where it could take over 1 hour to isolate a pipeline segment, the Alaska LNG Pipeline will be able to isolate a pipeline segment in less than 35 minutes. The time to isolate a mainline block valve (MLBV) along the special permit segment is shown in Table 2 - MLBV Locations with Approximate Valve Closure Time and Gas Released.

Special Permit Segment:

State of Alaska

The Alaska LNG Pipeline *special permit segment* is defined as: approximately 807 miles of 42-inch diameter pipeline originating in the North Slope Borough, traversing the Yukon-Koyukuk Census Area, the Fairbanks North Star Borough, the Denali Borough, the Matanuska-Susitna Borough, and the Kenai Peninsula Borough. The *special permit segment* terminates at the liquefaction facility on the shore of the Cook Inlet near Nikiski, Alaska.

The special permit allows alternative mainline valve placement in Class 1 locations on the 42-inch *special permit segment* with the implementation of the special permit conditions.

Public Notice:

On May 28, 2019, PHMSA published a special permit request in the Federal Register (84 FR 24594) for public comment. The public comment period ended on July 29, 2019, and PHMSA reviewed and considered all comments received through July 29, 2019. The special permit application from AGDC, pipeline route maps, public comments, final environmental assessment and finding of no significant impact, and special permit conditions are available in Docket No. PHMSA-2017-0045 at: www.regulations.gov.

PHMSA Overall Response and Considerations of Public Safety Concerns:

PHMSA published a Notice of Availability in the Federal Register on May 28, 2019, for four (4) special permit requests for the line pipe of the Alaska LNG Pipeline. (84 FR 24594, Docket Nos.: PHMSA-2017-0046, Usage of 3LPE Coating; PHMSA-2017-0044, Usage of Strain Based Design; PHMSA-2017-0045, Alternative Mainline Block Valve Spacing; and PHMSA-2017-0047, Usage of Crack Arrestor Spacing at www.Regulations.gov.) PHMSA requested comment on the special permit applications, the draft permit conditions, and the draft environmental analyses. The public notice comment period ended on July 29, 2019, and PHMSA reviewed and considered all comments received through July 29, 2019. PHMSA received a public comment concerning usage of fossil fuels, the building of the Alaska LNG Pipeline, and the building of a liquified natural gas (LNG) facility. PHMSA does not have siting authority over pipeline facilities. The public comment received did not submit concerns directed towards the special permit, the environmental assessment, or the special permit conditions, which were the issues within PHMSA's decision making authority and the intent of the public notice.

Operational Integrity Compliance:

PHMSA has reviewed this special permit request to ensure that integrity threats to the pipeline in the *special permit segment* are addressed in the operator's operations and management plan (O&M Procedures and specifications). PHMSA carefully designed a comprehensive set of conditions that AGDC is required to implement in order to operate the Alaska LNG Pipeline with increased mainline block valve spacing in Class 1 locations.

The special permit conditions are summarized by topic in the below list. The full conditions can be

reviewed in their entirety in the special permit, which can be reviewed on Docket PHMSA-2017-

0045 at www.regulations.gov.

1) Applicable Regulations

2) Maximum Allowable Operating Pressure

3) Transmission Line Valves

4) Valve Monitoring, Control and Closure

5) Mainline Valve Locations

6) Emergency Operations

7) Emergency Training and Planning

8) Annual Reports

9) Notifications

10) Certification

11) Changes to Special Permit Conditions

12) Limitations

Past Enforcement History:

AGDC has no gas transmission pipeline operating history or enforcement history with PHMSA.

Findings:

Based on the information submitted by AGDC and PHMSA's analysis of technical, operational, and

safety issues, and given the conditions that will be imposed in the special permit, PHMSA finds that

granting this special permit to AGDC to operate the Alaska LNG Pipeline special permit segment at

increased mainline block valve spacing intervals and with either RCVs or ASVs will not be

inconsistent with pipeline safety.

Completed in Washington DC on: September 9, 2019

Prepared By: PHMSA – Engineering and Research Division

Beaufort Sea MP 0 MP 100 MP 200 COLDFOOT MP 300 MP 400 AD National Wildlife Refuge MP 500 MP 600 MP 700 MP 806 Lake Clark National Park Gulf of Alaska

Figure 1: ALASKA LNG Pipeline Route

Table 1: Mainline Valve Locations for Alaska LNG Pipeline with High Consequence Areas (HCAs), Bridges, and Railroad Locations								
MLBV #	MP	Δ MP, miles	Location Description	Valve Type	Class Location(s)	HCA Yes/No		
1	0.00		GTP Meter Station	RCV	1	No		
2	36.74	36.74	Stand-alone MLBV - Potential Station	ASV	1	No		
3	75.97	39.23	Compressor Station - Sagwon RO		1	No		
4	112.04	36.07	Stand-alone MLBV - Potential Station	ASV	1	No		
5	148.51	36.47	Compressor Station - Galbriath Lake	RCV	1	No		
6	194.09	45.58	Stand-alone MLBV - Potential Station	ASV	1	No		
6	194.09	45.58	Stand-alone MLBV - Potential Station	ASV	1	No		
	236.08 to 237.33	1.25	HCA – Marion Campground – 1.25 miles		1	Yes		
7	240.10	46.01	Compressor Station - Coldfoot	RCV	1	No		
8	286.05	45.95	Stand-alone MLBV - Potential Station	ASV	1	No		
9	332.64	46.59	Compressor Station - Ray River	RCV	1	No		
	352.21 to 353.35	1.14	HCA - Hotspot Café		1	Yes		
9a	356.22	23.58	Added for potential "Hotspot Café" HCA	ASV	1	No		
10	377.95	21.73	Stand-alone MLBV - Potential Station AS		1	No		
11	421.56	43.61	Compressor Station - Minto RCV		1	No		
12	444.90	23.34	Stand-alone MLBV	ASV	1	No		
13	467.10	22.20	Stand-alone MLBV - Potential Station	ASV	1	No		
14	492.96	25.86	Stand-alone MLBV	ASV	1	No		
15	517.62	24.66	Compressor Station - Healy	RCV	1	No		
	529.21 to 530.44	1.23	HCA – RV Park and Hotel – 1.23 miles		1	Yes		
	532.07		Alaska Railroad Crossing		1	No		
	532.13		Nenana River Bridge Crossing		1	No		
16	534.79	17.17	Upstream of Class 3 Location - Nenana Canyon	ASV	1	No		
	535.54 to 535.99	0.45	HCA - Denali Riverside RV Park, McKinley Chalet Resort, Denali Rainbow Village and RV, Denali Princess Wilderness Lodge, Denali Crows Nest Cabins, Grand Denali Lodge, and Denali Bluffs Hotel – 2.20 miles		1	Yes		
	535.99 to 536.49	0.50	HCA - Denali Riverside RV Park, McKinley Chalet Resort, Denali Rainbow Village and RV, Denali Princess Wilderness Lodge, Denali Crows Nest Cabins, Grand Denali Lodge, and Denali Bluffs Hotel – 2.20 miles		3	Yes		

Table 1: Mainline Valve Locations for Alaska LNG Pipeline with High Consequence Areas (HCAs), Bridges, and Railroad Locations								
MLBV #	MP	Δ MP, miles	Location Description	Valve Type	Class Location(s)	HCA Yes/No		
	536.49 to 537.74	1.25	HCA - Denali Riverside RV Park, McKinley Chalet Resort, Denali Rainbow Village and RV, Denali Princess Wilderness Lodge, Denali Crows Nest Cabins, Grand Denali Lodge, and Denali Bluffs Hotel – 2.20 miles		1	Yes		
	537.79		Lynx Creek Bridge Crossing		1	Yes		
17	538.79	4.00	Downstream of Class 3 Location - Nenana Canyon	ASV	1	No		
18	546.50	7.71	Stand-alone MLBV - Potential Station	ASV	1	No		
	551.34 to 552.27	0.93	HCA – Denali Perch Resort – 0.93 miles		1	Yes		
	565.77 to 567.23	1.46	HCA – DOT/PF Cantwell Station – 1.46 miles		1	Yes		
19	572.23	25.73	Stand-alone MLBV	ASV	1	No		
	572.79		Alaska Railroad Crossing		1	No		
	588.07		Alaska Railroad Crossing		1	No		
20	597.35	25.12	Compressor Station - Honolulu Creek	RCV	1	No		
	609.02		Alaska Railroad Crossing		1	No		
21	625.83	28.48	Stand-alone MLBV		1	No		
	629.75 to 631.35	1.60	HCA – Byers Lake Campground (73 units) – 1.60 miles		1	Yes		
	633.75 to 634.50	0.75	HCA – Trappers Creek Pizza Club – 0.75 miles	1		Yes		
22	648.16	22.33	Stand-alone MLBV - Potential Station	ASV 1		No		
23	675.24	27.08	Compressor Station - Rabideux Creek	RCV	1	No		
24	703.67	28.43	Stand-alone MLBV - Potential Station	ASV	1	No		
25	725.93	22.26	Stand-alone MLBV - Potential Station	ASV	1	No		
26	749.11	23.18	Heater Station - Theodore River	RCV	1	No		
27	766.01	16.90	Upstream of Cook Inlet crossing	ASV	1	No		
28	793.34	27.33	Downstream of Cook Inlet crossing	RCV	1	No		
	797.71 to 798.65	0.94	HCA – Nikiski Middle/High School, Kenai Heliport, Commercial Buildings, and Industrial Sites – 1.57 miles		1	Yes		
	798.65 to 799.28	0.63	HCA – Nikiski Middle/High School, Kenai Heliport, Commercial Buildings, and Industrial Sites – 1.57 miles		2	Yes		
	799.28 to 801.27	1.99			2	No		
29	799.85	6.51	Stand-alone MLBV - Potential Class 2 Location	RCV	2	No		
	803.39 to 803.78	0.39	HCA – Conoco Phillips Property and Tesoro Kenai Refinery – 2.66 miles		1	Yes		

Table 1	Table 1: Mainline Valve Locations for Alaska LNG Pipeline with High Consequence Areas (HCAs), Bridges, and Railroad Locations									
MLBV #	MP	Valve Type	Class Location(s)	HCA Yes/No						
	803.78 to 806.05	2.27	HCA – Conoco Phillips Property and Tesoro Kenai Refinery – 2.66 miles		2	Yes				
	806.05 to 806.25	0.20			2	No				
30	806.57	6.72	LNG Meter Station	RCV	1	No				

MLBV #	MP	ΔМР	Location Description	Valve Type	Approximate Closure Time (minutes) ⁵	Approximate Mass of Gas Released (tons) ⁶
1	0.00		GTP Meter Station	RCV	10.7	14,600
2	36.74	36.74	Stand-alone MLBV - Potential Station	ASV	28.6	14,600
			Fotential Station		29.9	15,300
3	75.97	39.23	Compressor Station -	RCV	10.7	15,300
3	13.91	39.23	Sagwon	KC V	10.7	14,400
4	112.04	36.07	Stand-alone MLBV -	ASV	28.3	14,400
4	112.04	30.07	Potential Station		28.5	14,500
5	148.51	36.47	Compressor Station - Galbriath Lake	RCV	10.7	14,500
					10.7	17,000
	194.09	45.50	45.58 Stand-alone MLBV -	ASV	33.1	17,000
6	194.09	45.58	Potential Station	ASV	33.3	14,600
7	240.10	46.01	Compressor Station -	RCV	10.7	14,600
/	240.10	46.01	Coldfoot	RCV	10.7	17,100
8	296.05	286.05 1 45.05	Stand-alone MLBV -	ASV	33.3	17,100
8	286.05		Potential Station		33.6	17,200
9	332.64	332.64 46.59	Compressor Station - Ray River	RCV	10.7	17,200
9					10.7	16,900
9A	356.22	23.58	Added for potential	ASV	20.5	11,300
			"Hotspot Café" HCA Stand-alone MLBV -		23.7 32.9	11,500 16,900

_

⁵ Closure time is the total time measured from leak detection to complete valve closure and full interruption of flow.

⁶ The mass of gas released is based on a rupture occurring between the adjacent valves using the closure times of the upstream and downstream valves. Based on the Alaska LNG Pipeline gas composition, there are 45,148 cubic feet per ton.

Table	Table 2 - MLBV Locations with Approximate Valve Closure Time and Gas Released							
MLBV#	MP	ΔМР	Location Description	Valve Type	Approximate Closure Time (minutes) ⁵	Approximate Mass of Gas Released (tons) ⁶		
1.1	401.56	42.61	G G G G	DCV	10.7	16,500		
11	421.56	43.61	Compressor Station - Minto	RCV	10.7	10,200		
12	444.00	22.24		A CM	21.8	10,200		
12	444.90	23.34	Stand-alone MLBV	ASV	20.4	11,200		
12	467.10	22.20	Stand-alone MLBV -	A CM	20.4	11,200		
13	467.10	22.20	Potential Station	ASV	22.7	12,700		
1.4	402.06	25.96	Ctand alone MI DV	A CM	22.7	12,700		
14	492.96	25.86	Stand-alone MLBV	ASV	22.5	10,700		
15	517.62	24.66	Communication Health	RCV	10.7	10,700		
13	317.02	24.00	Compressor Station - Healy	KC V	10.7	7,800		
16	524.70	17.17	Upstream of Class 3	A CM	18.7	7,800		
16	534.79	17.17	Location - Nenana Canyon	ASV	9.3	2,300		
17	520.70	4.00	Downstream of Class 3	ACM	9.3	2,300		
17	538.79	4.00	Location - Nenana Canyon	ASV	11.6	4,400		
10	546.50	6.50 7.71	Stand-alone MLBV - Potential Station	ASV	11.6	4,400		
18					22.6	12,700		
10	572.23	25.73	Stand-alone MLBV	ASV	22.6	12,700		
19					22.7	10,800		
20	507.25	25 12	25.12 Compressor Station -	DCV	10.7	10,800		
20	597.35	25.12	Honolulu Creek	RCV	10.7	12,000		
21	625.83	28.48	Stand-alone MLBV	ASV	24.4	12,000		
21	023.63	20.40	Stalid-alone WILD v	ASV	20.5	11,300		
22	648.16	22.33	Stand-alone MLBV -	ASV	20.5	11,300		
22	046.10	22.33	Potential Station	ASV	23.7	11,500		
23	675.24	27.08	Compressor Station -	RCV	10.7	11,500		
23	073.24	27.08	Rabideux Creek	KC V	10.7	12,000		
24	702.67	702 67	28.43	Stand-alone MLBV -	ASV	24.4	12,000	
24	703.67	20.43	Potential Station	ASV	20.5	11,300		
25	725.02	22.26	Stand-alone MLBV -	ASV	20.5	11,300		
23	725.93	22.20	Potential Station	ASV	21.8	10,100		
26	749.11	22.10	Heater Station - Theodore	RCV	10.7	10,100		
26		23.18	23.18 River	KC V	10.7	7,700		
27	766.01	16.00	16.90 Upstream of Cook Inlet crossing	ASV	18.6	7,700		
21		10.90			23.6	13,300		
28	702.24	702 24 27 22	Downstream of Cook Inlet	RCV	23.6	13,300		
20	793.34	27.33	crossing	IC V	10.9	3,700		
29	799.85	6.51		RCV	10.9	3,700		

Table 2 - MLBV Locations with Approximate Valve Closure Time and Gas Released								
MLBV# MP ΔMP		Location Description	Valve Type	Approximate Closure Time (minutes) ⁵	Approximate Mass of Gas Released (tons) ⁶			
			Stand-alone MLBV - Potential Class 2 Location		13.4	3,300		
30	806.57	6.72	LNG Meter Station	RCV	10.7	3,300		